

Underscored material = new  
[bracketed material] = delete

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

SENATE BILL 1121

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

FERNANDO R. MACIAS

AN ACT

RELATING TO WATER; AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR  
HYDROGRAPHIC SURVEYS USED FOR DETERMINATION OF WATER RIGHTS;  
AMENDING SECTIONS OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 72-14-4 NMSA 1978 (being Laws 1935,  
Chapter 24, Section 1, as amended) is amended to read:

"72-14-4. BUDGET AND PLAN SUBMITTED TO GOVERNOR  
ANNUALLY. --The interstate stream commission shall annually  
prepare and submit a budget together with a complete and  
detailed plan looking toward the improvement [~~of the channel~~] of  
the Rio Grande in this state, and increasing the surface flow of  
water in the river, during the ensuing fiscal year. [~~Such~~] The  
plan and budget shall be submitted annually in accordance with  
the provisions of Sections [~~11-4-1.1 through 11-4-7.8 NMSA 1953~~]

Underscored material = new  
[bracketed material] = delete

1 6-3-1 through 6-3-22 NMSA 1978. "

2 Section 2. Section 72-14-5 NMSA 1978 (being Laws 1935,  
3 Chapter 24, Section 2, as amended) is amended to read:

4 "72-14-5. ANNUAL EXPENDITURES MADE UNDER BUDGET AND  
5 PLAN. --The interstate stream commission shall annually expend  
6 from the [~~moneys hereinafter~~] money appropriated, within the  
7 [~~moneys~~] money actually available and within the budget  
8 submitted and approved, in accordance with the provisions of  
9 Sections [~~11-4-1.1 through 11-4-7.8 NMSA 1953~~] 6-3-1 through  
10 6-3-22 NMSA 1978, such sum [~~or sums~~] as may be necessary for the  
11 improvement [~~of the channel~~] of the Rio Grande in this state,  
12 and increasing the surface flow of water in the river, and in  
13 accordance with the plan submitted by [~~said~~] the commission. "

14 Section 3. Section 72-14-6 NMSA 1978 (being Laws 1935,  
15 Chapter 24, Section 3, as amended) is amended to read:

16 "72-14-6. APPROPRIATION--HOW DISBURSEMENTS ARE TO BE  
17 MADE. --There is [~~hereby~~] appropriated annually all [~~moneys~~]  
18 money in the improvement of the Rio Grande income fund or as  
19 much thereof as may be necessary for the purpose of complying  
20 with Sections [~~75-34-4 through 75-34-6 NMSA 1953~~] 72-14-4  
21 through 72-14-6 and Sections 72-14-9 through 72-14-28 NMSA 1978  
22 and to fulfill and carry out [~~its~~] their purposes and  
23 intentions. The appropriations [~~herein~~] authorized shall be  
24 paid, from time to time as may be necessary, upon vouchers  
25 approved by the interstate stream commission. "

. 117314. 1

Underscored material = new  
[bracketed material] = delete

1           Section 4. Section 72-14-9 NMSA 1978 (being Laws 1955,  
2 Chapter 266, Section 1) is amended to read:

3           "72-14-9. DEFINITIONS. -- As used in [~~this act, the~~  
4 ~~following words and terms shall have the following meanings]~~  
5 Sections 72-14-9 through 72-14-28 NMSA 1978:

6           [~~(a) The word~~] A. "engineer" [~~shall mean~~] or "state  
7 engineer" means the state engineer [~~of the state~~] of New Mexico;

8           [~~(b) The word~~] B. "commission" [~~shall mean~~] means  
9 the New Mexico interstate stream commission or other department  
10 or agency which may be created and charged with the duties and  
11 functions of [~~said~~] the commission;

12           [~~(c) The word~~] C. "works" [~~shall be deemed to~~  
13 ~~include~~] includes all property, rights, easements and franchises  
14 relating thereto and deemed necessary or convenient for their  
15 operation, and all water rights acquired or exercised by the  
16 commission in connection with such works, and shall embrace all  
17 means of conserving and distributing water, including, without  
18 limiting the generality of the foregoing, reservoirs, dams,  
19 diversion canals, distributing canals, lateral ditches, pumping  
20 units, wells, mains, pipelines and waterworks systems and shall  
21 include all such works for the conservation, development,  
22 storage, distribution and utilization of water, including,  
23 without limiting the generality of the foregoing, works for the  
24 purpose of irrigation, development of power, watering of stock,  
25 supplying of water for public, domestic, industrial and other

. 117314. 1

Underscored material = new  
[bracketed material] = delete

1 uses, [~~and~~] for fire protection and for the purpose of obtaining  
2 hydrographic surveys used by the state engineer for determining  
3 water rights;

4 [~~(d) The term~~] D. "cost of works" [~~shall embrace~~]  
5 includes the cost of construction; the cost of all lands,  
6 property, rights, easements and franchises acquired which are  
7 deemed necessary for such construction; the cost of all water  
8 rights acquired or exercised by the commission in connection  
9 with [~~such works~~] a project; the cost of all machinery and  
10 equipment, financing charges, interest prior to and during  
11 construction and for a period not exceeding three [~~(3)~~] years  
12 after the completion of construction; the cost of engineering  
13 and legal expenses, plans, specifications, surveys, estimates of  
14 cost and other expenses necessary or incident to determining the  
15 feasibility or [~~practicability~~] practicability of any project; and  
16 administrative expense and such other expenses as may be  
17 necessary or incident to the financing [~~herein authorized~~] and  
18 the [~~construction of the works~~] completion of a project and the  
19 placing of the [~~same~~] project in operation;

20 [~~(e) The word~~] E. "owner" [~~shall include~~] includes  
21 all individuals, irrigation districts, incorporated companies,  
22 societies or associations having any title or interest in any  
23 properties, rights, easements or franchises to be acquired; and

24 [~~(f) The word~~] F. "project" [~~shall mean~~] means any  
25 one of the works [~~hereinabove~~] defined in this section or any

Underscored material = new  
[bracketed material] = delete

1 combination of such works which are [~~physically connected or~~]  
2 jointly managed and operated as a single unit. "

3 Section 5. Section 72-14-11 NMSA 1978 (being Laws 1955,  
4 Chapter 266, Section 3) is amended to read:

5 "72-14-11. PROJECTS USING REVENUE BOND PROCEEDS

6 AUTHORIZED. --

7 A. The commission is [~~hereby~~] authorized to  
8 [~~construct~~] conduct, whenever it [~~shall deem~~] deems such  
9 [~~construction~~] project expedient, any [~~works as hereinabove~~  
10 ~~defined~~] project, the cost of [~~such construction~~] which is to be  
11 paid wholly by means of or with the proceeds of revenue bonds  
12 [~~hereinafter~~] authorized, or in connection with a grant to aid  
13 in financing such [~~construction~~] project from the United States  
14 [~~of America~~] or any instrumentality or agency thereof, or with  
15 other funds provided under the authority of [~~this act~~] Sections  
16 72-14-9 through 72-14-28 NMSA 1978. If revenues from the  
17 project are intended to pay the cost of maintaining, repairing  
18 and operating the project and to pay the principal and interest  
19 of revenue bonds that may be issued for the cost of the project,  
20 before [~~constructing~~] conducting any project, the commission  
21 shall make estimates of the cost of the project, of the cost of  
22 maintaining, repairing and operating the [~~same~~] project and of  
23 the revenues to be derived [~~therefrom~~] from the project, and no  
24 such project shall be [~~constructed~~] conducted unless, according  
25 to [~~such~~] the estimates, the revenues to be derived [~~therefrom~~]

. 117314. 1

Underscored material = new  
[bracketed material] = delete

1 will be sufficient to pay the cost of maintaining, repairing and  
2 operating the ~~[same]~~ the project and, if no other revenues are  
3 to be pledged to repayment of bonds that may be issued for the  
4 cost of the project, to pay the principal and interest of  
5 revenue bonds which may be issued for the cost of such project;  
6 provided, however, that in connection with the issuance of any  
7 of ~~[such]~~ the bonds, the failure of the commission to make the  
8 estimates required by this section or to make ~~[same]~~ the  
9 estimates in proper form shall in no way affect the validity or  
10 enforceability of any such bonds or of the trust indenture,  
11 resolution or other security ~~[therefor]~~ for the bonds.

12           B. The purpose of ~~[this act]~~ Sections 72-14-9  
13 through 72-14-28 NMSA 1978 is to meet ~~[so far as possible]~~ a  
14 statewide need for the conservation and use of water through  
15 ~~[the construction and operation of]~~ projects designed or  
16 intended for such purposes. The commission is ~~[therefor]~~  
17 empowered to make such investigations as may be necessary to  
18 plan and carry out a comprehensive statewide program of water  
19 conservation; provided, however, that ~~[this Act]~~ those sections  
20 shall not be construed to repeal or amend by implication or  
21 otherwise the provisions of law ~~[heretofore]~~ enacted with  
22 respect to permits for the acquisition of water rights, permits  
23 for the change in place or method of use of water or permits for  
24 the construction of works ~~[and provided further that no project~~  
25 ~~shall be authorized in an underground water basin not so~~

Underscored material = new  
[bracketed material] = delete

1 ~~declared by the state engineer unless there has been notice,~~  
2 ~~publication and hearing held as provided by law in the case of~~  
3 ~~application to appropriate water in declared underground water~~  
4 ~~basins].~~ The projects to be finally ~~[constructed]~~ conducted  
5 shall qualify as parts of such statewide program and, if  
6 applicable shall be approved by the commission upon the showing  
7 of their prospective ability to meet, through the sale of water  
8 or other services, the cost of operation, maintenance and repair  
9 and the amortization of the cost of the ~~[construction]~~ project;  
10 provided, however, that the failure of the commission to  
11 determine such prospective ability of a project shall in no way  
12 affect the validity or enforceability of any such bonds. "

13 Section 6. Section 72-14-13 NMSA 1978 (being Laws 1955,  
14 Chapter 266, Section 5, as amended) is amended to read:

15 "72-14-13. WATER CONSERVATION REVENUE BONDS AUTHORIZED--  
16 EXTENT OF STATE OBLIGATION. --

17 A. The commission, with the approval of the state  
18 board of finance, is ~~[hereby]~~ authorized to provide by  
19 resolution ~~[at one time or from time to time]~~ for the issuance  
20 of water conservation revenue bonds of the state for the purpose  
21 of paying the cost, as ~~[hereinabove]~~ defined in Section 72-14-9  
22 NMSA 1978, of any one or more ~~[such public works]~~ projects. The  
23 principal of and interest ~~[of which]~~ on revenue bonds shall be  
24 payable solely from the special fund ~~[herein]~~ to be provided for  
25 such payment. ~~[Such]~~ Revenue bonds shall mature at such time

Underscored material = new  
[bracketed material] = delete

1 ~~[or times]~~, not more than fifty years from their date, ~~[or~~  
2 ~~dates]~~ as may be fixed by ~~[such]~~ the resolution, but may be made  
3 redeemable before maturity at the option of the state, to be  
4 exercised by the commission, at such price ~~[or prices]~~ and under  
5 such terms and conditions as may be fixed by the ~~[board]~~  
6 commission prior to the issuance of the bonds. The ~~[board]~~  
7 commission shall determine the rate of interest ~~[such bonds~~  
8 ~~shall bear, not exceeding six percent per annum]~~ not in excess  
9 of the maximum net effective interest rate permitted by the  
10 Public Securities Act or the Public Securities Short-Term  
11 Interest Rate Act on such bonds, the time ~~[or times]~~ of payment  
12 of such interest, the form of the bonds ~~[and the interest~~  
13 ~~coupons to be attached thereto]~~ and the manner of executing the  
14 bonds ~~[and coupons]~~, and shall fix the denomination ~~[or~~  
15 ~~denominations]~~ of the bonds and the place ~~[or places]~~ of payment  
16 of principal and interest thereof ~~[which may be at any bank or~~  
17 ~~trust company within or without the state].~~

18 B. All bonds issued under ~~[this act]~~ Sections  
19 72-14-9 through 72-14-28 NMSA 1978 shall contain a statement on  
20 their ~~[face]~~ faces that the state shall not be obligated to pay  
21 the ~~[same]~~ bonds or the interest ~~[thereon]~~ on the bonds except  
22 from the ~~[special sinking]~~ "debt service fund" hereinafter set  
23 forth ~~[and any other moneys pledged therefor]~~. In case any of  
24 the officers whose signatures appear on the bonds ~~[or coupons~~  
25 ~~shall]~~ cease to be ~~[such]~~ officers before the delivery of ~~[such]~~

Underscored material = new  
[bracketed material] = delete

1 the bonds, [~~such~~] the signatures shall nevertheless be valid and  
2 sufficient for all purposes, [~~the same~~] as if [~~they~~] the  
3 officers had remained in office until [~~such~~] delivery. All  
4 [~~such~~] the bonds [~~shall be and shall have and~~] are [~~hereby~~]  
5 declared to have all the qualities and incidents of negotiable  
6 instruments. [~~Such~~] The bonds shall not constitute or be a  
7 debt, liability or obligation of the state, and shall be secured  
8 only by the revenues of such works and the funds received from  
9 the sale or disposal of water and from the operation, lease,  
10 sale or other disposition of the works, property and facilities  
11 to be acquired out of the proceeds of such bonds and, if so  
12 pledged by the commission, from income credited to the permanent  
13 reservoirs for irrigation purposes income fund and the  
14 improvement of Rio Grande income fund.

15 C. Provisions may be made for the registration of  
16 any of the bonds in the [~~name of the owner as to principal alone~~  
17 ~~or as to both principal and interest~~] resolution authorizing the  
18 bonds. The bonds authorized under the provisions of [~~this act~~]  
19 Sections 72-14-9 through 72-14-28 NMSA 1978 may be issued and  
20 sold from time to time at a public or private sale to any  
21 purchaser, and in such amounts as may be determined by the  
22 commission, and the commission may sell the bonds in such manner  
23 and for such price as it may determine to be for the best  
24 interests of the state. The state [~~treasurer~~] investment  
25 officer is [~~hereby~~] authorized to invest the permanent funds of

Underscored material = new  
[bracketed material] = delete

1 the state in the bonds [~~herein authorized~~]. The proceeds of  
2 such bonds shall be used solely for the payment of the cost of  
3 [~~the works~~] a project and shall be [~~checked out~~] used in such  
4 manner and under such restrictions, if any, as the commission  
5 may provide.

6 D. If the proceeds of the bonds, by error of  
7 calculation or otherwise, [~~shall be~~] are less than the cost of  
8 the [~~works~~] project, additional bonds may in like manner be  
9 issued to provide the amount of such deficit and, unless  
10 otherwise provided in the resolution authorizing the bonds,  
11 shall be deemed to be of the same issue and shall be entitled to  
12 payment from the same fund without preference or priority of the  
13 bonds first issued for the same [~~works~~] project. If the  
14 proceeds of bonds issued for any such [~~works shall~~] project  
15 exceed the cost [~~thereof~~] of the project, the surplus shall be  
16 paid into the debt service fund [~~hereinafter~~] provided for the  
17 payment of principal and interest of such bonds. Prior to the  
18 preparation of definitive bonds, the [~~board~~] commission may  
19 [~~under like restrictions~~] issue temporary bonds [~~with or without~~  
20 coupons] exchangeable for definitive bonds when such bonds have  
21 been executed and are available for delivery. Such bonds may be  
22 issued without any other proceedings or the happening of any  
23 other conditions or things than those proceedings, conditions  
24 and things which are specified and required by [~~this act~~]  
25 Sections 72-14-9 through 72-14-28 NMSA 1978 or by the

Underscored material = new  
[bracketed material] = delete

1 constitution of ~~[the state]~~ New Mexico.

2 E. Each resolution providing for the issuance of  
3 bonds shall set forth a project ~~[or projects]~~ for which the  
4 bonds are to be issued, and the bonds authorized by each such  
5 resolution shall constitute a separate series. The bonds of  
6 each series shall be identified by a series number or letter ~~[or~~  
7 ~~letters]~~ and may be sold and delivered at one time or from time  
8 to time."

9 Section 7. Section 72-14-14 NMSA 1978 (being Laws 1955,  
10 Chapter 266, Section 6) is amended to read:

11 "72-14-14. REVENUES FROM BONDS TO BE APPLIED TO COST OF  
12 PROJECTS AND ASSOCIATED EXPENSES. -- All ~~[moneys]~~ money received  
13 from any bonds issued pursuant to ~~[this act]~~ Sections 72-14-9  
14 through 72-14-28 NMSA 1978 shall be applied solely to the  
15 payment of the cost of the ~~[works]~~ project or to the appurtenant  
16 ~~[sinking]~~ debt service fund ~~[and to the administration fund as~~  
17 ~~hereinafter provided]~~, and there ~~[shall be and hereby]~~ is  
18 created and granted a lien upon such ~~[moneys]~~ money until so  
19 applied in favor of the holders of the bonds or the trustee  
20 ~~[hereinafter]~~ provided for in respect of such bonds."

21 Section 8. Section 72-14-15 NMSA 1978 (being Laws 1955,  
22 Chapter 266, Section 7) is amended to read:

23 "72-14-15. FUNDS ESTABLISHED. -- The commission shall  
24 ~~[create a fund to be known as "administration fund" and shall~~  
25 ~~also]~~ create three ~~[(-3)]~~ separate funds in respect of the bonds

. 117314. 1

Underscored material = new  
[bracketed material] = delete

1 of each series: one fund to be known as the [~~construction~~]  
2 "project fund, series . . . . ."; another fund to be  
3 known as the [~~water~~] "income fund, series . . . . . "; and  
4 another fund to be known as the [~~sinking~~] "debt service fund,  
5 series . . . . . "; each [~~such~~] fund to be identified by the  
6 same series number or letter [~~or letters~~] as the bonds of such  
7 series. The [~~moneys~~] money in each [~~such~~] fund shall be  
8 deposited in such depository [~~or depositories~~] and secured in  
9 such manner as may be determined by the [~~board~~] commission. It  
10 [~~shall be~~] is lawful for any bank or trust company incorporated  
11 under the laws of this state or of the United States to act as  
12 such depository and to furnish such indemnifying bonds or to  
13 pledge such securities as may be required by the commission. A  
14 separate account shall be kept in each [~~construction~~] project  
15 fund and in each [~~water~~] income fund for each project. All  
16 expenditures not properly chargeable to the [~~construction~~]  
17 project fund account or to the [~~water~~] income fund account of  
18 any one project shall be charged by the commission in such  
19 proportions as it [~~shall determine~~] determines to the  
20 [~~construction~~] project fund accounts or to the [~~water~~] income  
21 fund accounts, as the case may be, of the projects in respect of  
22 which such expenditures were incurred. "

23 Section 9. Section 72-14-16 NMSA 1978 (being Laws 1955,  
24 Chapter 266, Section 8) is amended to read:

25 "72-14-16. BOND PROCEEDS TO BE APPROPRIATELY CREDITED. --

Underscored material = new  
[bracketed material] = delete

1 The proceeds of the bonds of each series issued under the  
2 provisions of ~~[this act]~~ Sections 72-14-9 through 72-14-28 NMSA  
3 1978 shall be placed to the credit of the appropriate  
4 ~~[construction]~~ project fund, which fund shall ~~[at all times]~~ be  
5 kept segregated and set apart from all other funds. There shall  
6 be credited to the appropriate debt service fund all accrued  
7 interest received upon sale of the bonds and there shall also be  
8 credited to the appropriate ~~[construction]~~ project fund ~~[all~~  
9 ~~accrued interest upon the bonds and]~~ the interest received upon  
10 the deposits of ~~[moneys]~~ money in ~~[such]~~ the project fund and  
11 ~~[moneys]~~ money received by way of grant from the United States  
12 or from any other source for the ~~[construction of the works]~~  
13 project. The ~~[moneys]~~ money in each ~~[construction]~~ project fund  
14 shall be paid out or disbursed in such manner as may be  
15 determined by the commission, subject to the provisions of ~~[this~~  
16 ~~act]~~ those sections, to pay the cost of the ~~[works as herein~~  
17 ~~above defined. Any surplus which may remain in any construction~~  
18 ~~fund after providing for the payment of the cost of the works~~  
19 ~~shall be added to and become a part of the appropriate sinking~~  
20 ~~fund hereinafter provided for]~~ project and there is hereby  
21 appropriated annually the money in each project fund for the  
22 purposes intended by the commission. "

23 Section 10. Section 72-14-17 NMSA 1978 (being Laws 1955,  
24 Chapter 266, Section 9) is amended to read:

25 "72-14-17. COMMISSION TO SET PRICES, RATES OR CHARGES--

Underscored material = new  
[bracketed material] = delete

1 CONTRACTS--DISPOSITION OF PROPERTY. --

2           A. The commission is [~~hereby~~] authorized [~~and~~  
3 ~~empowered~~], subject to the provisions of [~~this act~~] Sections  
4 72-14-9 through 72-14-28 NMSA 1978, to fix and establish the  
5 prices, rates and charges at which [~~any and all~~] the resources  
6 and facilities made available under the provisions of [~~this act~~]  
7 those sections shall be sold and disposed of; to enter into [~~any~~  
8 ~~and all~~] contracts and agreements, and to do [~~any and all~~]  
9 things which in its judgment are necessary, convenient or  
10 expedient for the accomplishment of [~~any and all~~] the purposes  
11 and objects of [~~this act~~] those sections, under such general  
12 regulations and upon such terms, limitations and conditions as  
13 it shall [~~prescribed and~~] prescribe. If no other revenues are  
14 pledged to repay the bonds, it is [~~and shall be~~] the duty of the  
15 [~~board~~] commission to enter into such contracts and fix and  
16 establish such prices, rates and charges so as to provide [~~at~~  
17 ~~all times~~] funds [~~which~~] that will be sufficient to pay [~~all~~]  
18 costs of operation and maintenance [~~of any and all~~] of the works  
19 authorized by [~~this act~~] those sections, together with necessary  
20 repairs thereto, and [~~which~~] that will provide [~~at all times~~]  
21 sufficient funds to meet and pay the principal and interest of  
22 all bonds as they severally become due and payable; provided  
23 that nothing contained in [~~this act~~] Sections 72-14-9 through  
24 72-14-28 NMSA 1978 shall authorize any change, alteration or  
25 revision of any such rates, prices or charges as established by

. 117314. 1

Underscored material = new  
[bracketed material] = delete

1 any contract entered into under authority of [~~this act~~] those  
2 sections except as provided by any such contract.

3 B. Every contract made by the commission for the  
4 sale of water, use of water, water storage or other service or  
5 for the sale of any property or facilities shall provide that in  
6 the event of [~~any~~] failure or default in the payment of [~~any~~  
7 ~~moneys~~] money specified in [~~such~~] the contract to be paid to the  
8 commission, the commission may, upon such notice as shall be  
9 prescribed in [~~such~~] the contract, terminate [~~such~~] the contract  
10 and all obligations [~~thereunder~~] under it. The act of the  
11 commission in ceasing on any [~~such~~] default to furnish or  
12 deliver water, use of water, water storage or other service  
13 under [~~such~~] the contract shall not deprive the commission of or  
14 limit any remedy provided by such contract or by law for the  
15 recovery of [~~any and all moneys~~] money due or which may become  
16 due under [~~such~~] the contract.

17 C. The commission is empowered to sell or otherwise  
18 dispose of any rights of way, easements or property when it  
19 [~~shall determine~~] determines that the same is no longer needed  
20 for the purposes of [~~this act~~] Sections 72-14-9 through 72-14-28  
21 NMSA 1978, or to lease or rent the same or to otherwise take and  
22 receive the income or profit and revenue therefrom. All income  
23 or profit and revenue of the works and all [~~moneys~~] money  
24 received from the sale or disposal of water, use of water, water  
25 storage or other service and from the operation, lease, sale or

Underscored material = new  
[bracketed material] = delete

1 other disposition of the works, property and facilities acquired  
2 under the provisions of [~~this act~~] those sections shall be paid  
3 to the credit of the appropriate [~~water~~] income fund. "

4 Section 11. Section 72-14-18 NMSA 1978 (being Laws 1955,  
5 Chapter 266, Section 10) is amended to read:

6 "72-14-18. DEBT SERVICE FUND--PAYMENTS INTO FUND--FUND  
7 PLEGED FOR PAYMENT OF INTEREST, FISCAL CHARGES AND REPAYMENT OF  
8 PRINCIPAL. --The commission shall provide, in the proceedings  
9 authorizing the issuance of each series of bonds, for the paying  
10 into the appropriate [~~sinking~~] debt service funds at stated  
11 intervals money from other revenues pledged to repay the bonds  
12 or all [~~moneys~~] money then remaining in the [~~water~~] income fund,  
13 after paying all cost of operation, maintenance and repairs of  
14 the works. All [~~moneys~~] money in each [~~sinking~~] debt service  
15 fund shall be pledged for the payment of and used only for the  
16 purpose of paying:

17 [~~(a)~~] A. interest upon the bonds as such interest  
18 [~~shall fall~~] falls due; [~~and~~

19 [~~(b)~~] B. the necessary fiscal agency charges for  
20 paying bonds and interest; [~~and~~

21 [~~(c)~~] C. the principal of the bonds as they fall due;  
22 and

23 [~~(d)~~] D. any premiums upon bonds retired by call or  
24 purchase as herein provided.

25 Prior to the issuance of the bonds of each series, the

Underscored material = new  
[bracketed material] = delete

1 [board] commission may provide by resolution for using the  
2 [sinking] debt service fund or any part thereof in the purchase  
3 of any of the outstanding bonds payable therefrom at the  
4 [marked] market price thereof [~~but not exceeding the price, if~~  
5 ~~any, at which the same shall, at the next interest date, be~~  
6 ~~payable or redeemable, and all bonds redeemed or purchased shall~~  
7 ~~forthwith be cancelled and no bonds shall be issued in place~~  
8 ~~thereof~~]. The [moneys] money in each [sinking] debt  
9 service fund, less such reserve as may be provided for in the  
10 resolution authorizing the bonds for the payment of interest  
11 [and/or], principal, or both, if not used within a reasonable  
12 time for the purchase of bonds [~~for cancellation~~] as [above]  
13 provided in this section, shall be applied to the redemption of  
14 bonds then subject to redemption at the redemption price then  
15 applicable. "

16 Section 12. Section 72-14-19 NMSA 1978 (being Laws 1955,  
17 Chapter 266, Section 11) is amended to read:

18 "72-14-19. PERMANENT RESERVOIRS FOR IRRIGATION PURPOSES  
19 INCOME FUND--RIO GRANDE INCOME FUND--APPROPRIATION. -- [~~In~~  
20 ~~addition So much of~~] Each year's income [creditable] credited to  
21 the permanent reservoirs for irrigation purposes income fund [as  
22 ~~shall be necessary for the purposes hereinabove enumerated~~] and  
23 the improvement of Rio Grande income fund may be pledged  
24 irrevocably to the payment of the principal of and interest on  
25 revenue bonds by the commission with the approval of the state

. 117314. 1

Underscored material = new  
[bracketed material] = delete

1 board of finance, and there [~~is hereby~~] are irrevocably  
2 appropriated to the commission [~~sufficient~~] amounts from [~~said~~  
3 ~~fund~~] the funds for [~~said~~] such purposes. The commission shall  
4 provide in the proceedings authorizing the issuance of each  
5 series of bonds for the paying into the appropriate [~~sinking~~  
6 ~~fund~~] income and debt service funds all [~~moneys~~] money received  
7 pursuant [~~hereto~~] to this section."

8 Section 13. Section 72-14-22 NMSA 1978 (being Laws 1955,  
9 Chapter 266, Section 14) is amended to read:

10 "72-14-22. RIGHTS OF BONDHOLDERS--ENFORCEMENT. -- Any holder  
11 of any bonds issued under the provisions of [~~this act or any of~~  
12 ~~the coupons attached thereto~~] Sections 72-14-9 through 72-14-28  
13 NMSA 1978 except to the extent the rights herein given may be  
14 restricted by resolution passed before the issuance of the  
15 bonds, may, either at law or in equity, by suit, action,  
16 mandamus or other proceeding, protect and enforce any [~~and all~~]  
17 rights granted hereunder or under such resolution and may  
18 enforce and compel performance of all duties required by [~~this~~  
19 ~~act~~] those sections or by such resolution to be performed by the  
20 commission. [~~While~~] The state pledges and agrees that while any  
21 bonds issued by the commission remain outstanding, the powers,  
22 duties or existence of the commission or any official or agency  
23 of the state and the distribution of revenues pledged to payment  
24 of the bonds to the commission shall not be diminished or  
25 impaired in any manner that will affect adversely the interests

. 117314. 1

Underscored material = new  
[bracketed material] = delete

1 and rights of the holders of such bonds. The commission is  
2 authorized to include this pledge and agreement of the state in  
3 any agreement with the holders of the bonds."

4 Section 14. Section 72-14-26 NMSA 1978 (being Laws 1955,  
5 Chapter 266, Section 17) is amended to read:

6 "72-14-26. DISPOSITION OF WATER FOR PUBLIC, DOMESTIC,  
7 INDUSTRIAL AND OTHER USES. --In addition to the powers conferred  
8 [hereby] upon the commission to sell, lease and otherwise  
9 dispose of waters for the purpose of irrigation, development of  
10 power, watering of stock or other purposes, the commission shall  
11 have power to sell, lease and otherwise dispose of waters from  
12 its waterworks systems for public, domestic, industrial and  
13 other uses and for fire [prevention. ~~The commission, after the~~  
14 ~~discharge of all of the bonds issued by the commission to~~  
15 ~~finance the construction or acquisition of any works and of all~~  
16 ~~interest thereon and costs and expenses incurred in connection~~  
17 ~~with any action or proceeding by or on behalf of the holders of~~  
18 ~~such bonds, shall reconvey the same to the grantors thereof]~~  
19 protection. "

1 FORTY-THIRD LEGISLATURE  
2 FIRST SESSION, 1997  
3  
4  
5

6 March 4, 1997  
7

8 Mr. President:  
9

10 Your CONSERVATION COMMITTEE, to whom has been referred  
11

12 SENATE BILL 1121  
13

14 has had it under consideration and reports same with  
15 recommendation that it DO PASS, and thence referred to the  
16 FINANCE COMMITTEE.  
17

18  
19 Respectfully submitted,  
20  
21  
22

23 \_\_\_\_\_  
24 Michael S. Sanchez, Chairman  
25

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_  
(Chief Clerk) (Chief Clerk)

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

Date \_\_\_\_\_

The roll call vote was 8 For 0 Against  
Yes: 8  
No: None  
Excused: Griego, Tsosie  
Absent: None

S1121C01

Underscored material = new  
~~[bracketed material] = delete~~

FORTY-THIRD LEGISLATURE

FIRST SESSION

March 14, 1997

SENATE FLOOR AMENDMENT number \_\_\_\_\_ to SENATE BILL 1121

Amendment sponsored by Senator Fernando R. Macias

1. On page 7, line 18, after "finance" insert "and in accordance with the state board of finance's adopted policies and procedures on financing approvals".

2. On page 9, line 21, after "purchaser," insert "including the New Mexico finance authority,".

3. On page 19, line 7, after "USES" insert "-- RECONVEYANCE TO GRANTORS".

4. On page 19, lines 13 through 18, remove the brackets and line-through.

5. On page 19, line 13, strike "prevention" and insert in lieu thereof "protection".

FORTY-THIRD LEGISLATURE  
FIRST SESSION

SB 1121

Page 23

6. On page 19, line 15, after "works" insert ", except for hydrographic surveys used by the state engineer for determining water rights, ".

7. On page 19, line 19, strike "protection".

\_\_\_\_\_  
Fernando R. Macias

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

Underscored material = new  
[bracketed material] = delete

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**State of New Mexico**  
**House of Representatives**

1  
2  
3  
4 **FORTY-THIRD LEGISLATURE**  
5 **FIRST SESSION, 1997**  
6  
7  
8

9 **March 18, 1997**  
10

11 **Mr. Speaker:**  
12

13 **Your AGRICULTURE AND WATER RESOURCES COMMITTEE,**  
14 **to whom has been referred**  
15

16 **SENATE BILL 1121, as amended**  
17

18 **has had it under consideration and reports same with**  
19 **recommendation that it DO PASS, amended as follows:**  
20

21 **1. On page 1, line 13, after "1978" insert "; MAKING**  
22 **APPROPRIATIONS".**

23 **2. On page 7, line 22, after "projects" insert ", subject to**  
24 **the conditions provided for in Subsection F of this section".**  
25

**3. On page 11, line 8, strike the closing quotation mark.**

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

HAGC/SB 1121/a

Page 25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

4. On page 11, between lines 8 and 9, insert a new subsection to read:

"F. Revenue bonds issued by the commission for obtaining hydrographic surveys used by the state engineer shall mature not later than ten years from their date of issuance. The commission shall issue bonds for hydrographic surveys in a total amount not exceeding four million dollars (\$4,000,000) and amounts not to exceed two million dollars (\$2,000,000) in any fiscal year commencing July 1, 1998. "".

5. On page 19, between lines 19 and 20, insert the following new section:

"Section 15. APPROPRIATIONS. --

A. One million dollars (\$1,000,000) is appropriated from the irrigation works construction fund to the interstate stream commission for expenditure in fiscal years 1998 and 1999 for the purpose of conducting hydrographic surveys. Any unexpended or unencumbered balance remaining at the end of fiscal year 1999 shall revert to the irrigation works construction fund.

B. Five hundred thousand dollars (\$500,000) is appropriated from the improvement of the Rio Grande income fund to the interstate stream commission for expenditure in fiscal years

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

HAGC/SB 1121/a

Page 26

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1998 and 1999 for the purpose of conducting hydrographic surveys.  
Any unexpended or unencumbered balance remaining at the end of  
fiscal year 1999 shall revert to the improvement of the Rio Grande  
income fund.".,

and thence referred to the JUDICIARY COMMITTEE.

Respectfully submitted,

\_\_\_\_\_  
G. X. McSherry, Chairman

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

Underscored material = new  
[bracketed material] = delete

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

HAGC/SB 1121/a

Page 27

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

The roll call vote was 8 For 0 Against

Yes: 8

Excused: McSherry

Absent: None

119101.1

M \S1121

Underscored material = new  
[bracketed material] = delete